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January 26, 2001

CERTIFIED RETURN RECEIPT 7000 0520 0021 7582 8463

Dave Peterson
Delta Minerals
3585 North University Avenue, Suite 100
Provo, Utah 84604

Re:

Small Mine Exceeding Five Acres of Disturbance, Delta Minerals, TD Mining S/027/080 Millard County, Utah

Dear Mr. Peterson:

On December 7, 2000, we informed you by certified letter that Delta Minerals, TD Mining project, has exceeded the status of a small mine. Current surface disturbance has been GPS surveyed and was currently at 6.3 acres. You were informed of two options you could choose in order to remedy the situation: 1) immediately reclaim the excess acreage to five or less acres, no later than January 10, 2001; or 2) post a \$24,000 transition surety within 30 days and submit a complete large mine application within 60 days.

On January 9, 2001, Larry Garahana of the Bureau of Land Management and Tom Munson of this Division, inspected the site and determined that reclamation had not been completed. On January 12, we received your fax letter, followed by the original received on January 23, informing us that you choose option #1 and would reclaim the site down to less than five acres. You also informed us that Terry Cook had undergone surgery and a subsequent heart attack and was unable to complete the work as planned. You indicated that you would be hiring a new site supervisor to complete the work by February 7, 2001.

The Division will grant an extension to February 16, 2001, for you to complete the necessary regrading and reseeding work to reduce onsite disturbance below five acres. If this work is not satisfactorily completed by that deadline, we will be forced to initiate formal enforcement action as outlined in our December 7, 2000 letter.

If you have any questions or concerns with this letter or you cannot meet this deadline, please contact me or Tom Munson immediately at (801) 538-5286 and 538-5310 respectively. Thank you for your assistance in resolving this matter in an expeditious manner.

Sincerely.

D. Wayne Hedberg

Permit Supervisor

Minerals Regulatory Program